KARIN KOMERC MD DOO
Broj 01/210037451
Datum 27.12.2021
VETERNIK

CONTRACTING AGREEMENT

Concluded on 27.12.2021, in Novi Sad, between contracting parties:

1. **CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION BALKAN OGRANAK BEO**GRAD with head office in Augusta Cesarca 27, 11000 Beograd, company number:29507031, TIN: 109874997, represented by the director Zhongzheng Chen (hereinafter: **the Employer**), and

2. **"KARIN KOMERC MD" d.o.o.** with head office in Veternik, Živorada Petrovića Street No. 8, company number: 20009233, TIN: 103726184, represented by director Krste Dubroja, (hereinafter: **the Contractor**)

Subject matter of the Agreement

Article 1

The Contractor undertakes to carry out the subgrade works in **Novi Sad,** all in accordance with the Offer No. 01/210037209 from 25.12.2021., which forms an integral part of this Agreement.

Price

Article 2

For performed works from Article 1 of this Agreement, the Employer undertakes to pay to the Contractor for the executed works, the remuneration per individual rates from the price schedule form in the Bid, which amounts to **USD 800.230,92.**
VAT is not included and will be calculated in accordance with the obligatory legal provisions.

Total value of the works will be established based on actual works performed, registered and proved by the measurement book, with application of rates from the offer, with consent of the Employer.

The payment for adequate and complete execution of works delivered under this Agreement, shall be due in dinars (RSD), payment is done per the middle exchange rate of NBS on the day of invoice, to the bank account of the Contractor's commercial bank.

If the need arises for execution of additional works which are not subject matter of this Agreement (subsequent and unplanned works), the contracting parties shall define the execution of those works in the Annex to the Agreement.

Payment Method

Article 3

Total value of the Works under this Agreement shall be paid to the Contractor by the Employer in a following manner:

- Advance payment of 20% of total value of the Agreement in dinar counter value per middle exchange rate of NBS on the day of payment, no later than 2 working days from the day of the delivery of correct invoice.
- The remaining amount per monthly interim payment certificates and final invoice of payment no later than 30 calendar days from the day of delivery of each interim payment certificate and verified construction book for such certificate.

The Contractor undertakes that contracted Works will be calculated in interim payment certificates in line with the works realised per the construction book and the received advance payment will be justified by delivered certificates in the percent of the invoiced works per current certificate.

Time and schedule of works

Article 4

The contracting parties agree that the Contractor will commence with the contracted works after the signing of this agreement and possession of the site, and is obliged to complete the works in accordance with the planned schedule of works, which represents an integral part of the agreement.

The date of the Contractor's possession of site and commencement of works will be entered in the building log book when the Employer completes the following obligations:

- Enables the Contractor with undisturbed access to the site location for labour force, transport means and mechanisation in line with the organisational scheme of the construction site
- Clears space provided for organisation of construction site and execution of contracted works in line with the organisational scheme of the construction site.

Within the meaning of para 1. of this Article, the working day shall mean any day when work activities may be performed on construction site, and free days shall be state holidays and days when due to poor weather conditions the works cannot be executed, which will be confirmed through the building log book signed by authorised representatives of both contracting parties.
The contracting parties agree that the deadline for the execution of works covered by the Offer is January 17, 2022.
The contracting parties agree that in the event of any delay in the execution of works due to Employer's fault, the deadline for the execution of works will be extended, on which the contracting parties will sign an annex to this contract.
The contracting parties agree that in the event that Employer's fault extends the deadline by more than 7 days, Employer is obliged to pay the Contractor a contractual penalty of 10,000 USD for each day of extension.
If due to unfavourable weather conditions, there is a delay in the execution of works, the duration of such delays will not be calculated in the deadline for execution of works.

Article 5

In the event that during the execution of works, beyond its own liability, the Contractor is partially or completely prevented to execute the works due to the force majeure (inclement weather, floods, earthquakes, fire and similar), obligatory measures of government bodies, amendments in the technical documentation or other, the occurrence of such circumstances will be immediately entered in the

building log book, and the duration of such circumstances will not be included in the deadline for execution of works.

Contractor's Obligations

Article 6

The Contractor undertakes to:

1. Maintain the site documentation: Building Log book, Measurement book, Inspection book and other site documentation;
2. Execute the works in accordance with the best practice standards and generally accepted technical requirements;
3. Execute all Works in accordance with all existing and future legal provisions including occupational safety, health protection and environmental protection;
4. Ensure that all the necessary material is in line with the offer, as well as labour force and tools for execution of works;
5. Ensure that all materials, equipment and other items used for execution of works are of premium quality, functional, new and without any flaws;
6. Following the taking over of works, remove all tools, equipment, machines, surplus material, waste and trash from the construction site;
7. Cover all the expenses regarding the employees, who are hired for the execution of the said works;
8. Remove all failures and defects which could occur before the end of the guarantee, which are not a consequence of regular wear and tear, without delay, for no longer than 5 days. If the Contractor fails to remedy the deficiencies in the deadline specified, the Employer is entitled to remedy the deficiencies at the expense of the Contractor, independently or by hiring a third party;
9. Collect and remove all waste material from the construction site remaining after the execution of Works and take it away from the construction site, to the proper location of waste removal. Within the meaning of this Agreement, waste material is considered to be all substances, items, materials, cardboard packaging, paper packaging from leaves or trees, as well as other materials the Contractor uses during the works.

Obligations of Employers

Article 7

The Employer undertakes:

1. to enable the Contractor with the possession of the site within 3 (three) days from the date of conclusion of this contract,
2. to notify the Contractor if the Contractor or the Investor has any objections to the works performed by the Contractor, and/or in connection with the Contractor's employees, equipment of the Contractor and/or due to some other circumstances related to the works performed by the Contractor under this contract
3. to remove from the construction site all underground and above-ground facilities, old foundations, trees and similar obstacles, removal and protection of existing installations,
4. to provide access roads and ramps for entering the construction site and exiting equipment from the construction site,

Handover of works

Article 8

Upon completion of the contracted works, the Contractor shall notify the Employer that the works have been completed and invite him to hand over the works.

Article 9

The Employer undertakes to submit any complaints about the performed works to the Contractor in writing within 5 days from the day of handover of the works.

The Contractor is obliged to submit a written notification to the Employer about each received complaint within 5 days, about the procedure and measures taken in that regard.

Warranty period

Article 10

The Contractor is obliged to eliminate all defects and malfunctions on the performed works within the warranty period of 6 months from signing taking over certificate, and upon the invitation of the Employer.

The Employer reserves the right, if the Contractor for any reason does not eliminate the defects and malfunctions, pointed out in the objections, to hire another Contractor, at the expense of the Contractor under this Contract.
The Employer shall not be liable for damages and malfunctions resulting from violent damage and force majeure.

Termination of the agreement

Article 11

This Agreement may be terminated by agreement between the parties, subject to a notice period of 30 days starting from the date of receipt of written notice, after which both parties will settle their mutual obligations.

Each contracting party is authorized to terminate the agreement in the event that the other contracting party continues to violate the provisions of this agreement within 30 days of receiving written notice to cease the violation. In such a case, the contracting party responsible for the termination shall be obliged to compensate the other contracting party for all damages incurred.

Article 12

The Employer has the right to unilaterally terminate this agreement without compensation for losses to the Contractor in the following cases:

1. if it is determined that the Contractor, its employees, representatives or proxies, during the fulfilment of contractual obligations, presented to the Employer incorrect data related to the

results of quality control, i.e. data on production and working capacities and on their own reliability;
2. if the Contractor hinders the work of other Employer's organisations on the same construction site or prevents them from fulfilling their obligations to the Employer;
3. if the Contractor becomes illiquid;
4. if the Contractor is not able to perform the works;
5. if the Contractor assigns this agreement, without the knowledge and express consent of the Employer.

In case of termination of this agreement for the above reasons, the Contractor is obliged to take all necessary actions, or actions ordered by the Employer, to protect and preserve complete equipment, materials, parts, supplies and the like (in any degree of completion) and to suspend all activities in accordance with the order of the Employer.

The decision of the Employer on the unilateral termination of this agreement does not deprive him of any other rights under this contract, or any other rights.

Article 13

The Contractor has the right to unilaterally terminate this agreement in the following cases:

1. if the Employer declares bankruptcy or bankruptcy proceedings are initiated against him;
2. If the Employer does not fulfil the obligations of payment under this agreement due to the delay of payment for more than 30 days from the moment when it is necessary to make payment for the execution of works.

Article 14

The contracting party, from which the initiative for termination of the agreement originates, shall send a written notice to the other contracting party at least 15 (fifteen) days before the presumed date of termination of the agreement. The said notice must contain a statement of the reasons and grounds for termination.

The final date of termination of this agreement may not occur before the expiration of the 15-day period, starting from the day of delivery/receipt of written notice of termination.

Final provisions

Article 15

The contracting parties will try to resolve all possible disputes amicably, and if they cannot be resolved amicably, the jurisdiction of the Commercial Court in Novi Sad is agreed.

Article 16

The provisions of the Special customs on construction of Republic of Serbia and the Law on Obligations od Republic of Serbia will apply to everything not regulated by this agreement.

Article 17

This Agreement shall enter into force on the date of signature and shall remain in force until both contracting parties have fully fulfilled all their obligations.

Article 18

All amendments and annexes to this Agreement shall have legal effect only if they are in writing and signed by both parties.

Article 19

This Agreement is made in 4 (four) identical copies, of which each party keeps two copies.

EMPLOYER

CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION BALKAN OGRANAK BEOGRAD

Zhongzheng Chen, director

CONTRACTOR

KARIN KOMERC MD DOO

Krste Dubroja, director

karin komerc md doo
PROIZVODNJA - IZGRADNJA - TRGOVINA
Živorada Petrovića 8, 21203 Veternik
tel./fax: 021/823-800, 823-801, e-mail: office@karinmd.com; www.karinmd.com
PIB: 103726184, Matični broj: 20009233

OFFER

No:	01/210037209
Date:	25.12.2021

Customer data	
Naziv:	China Civil Engineering Construction Corporation Balkan
Adresa:	Augusta Cesarca 27, 11000 Beograd
PIB:	109874997

Title of works:	**Novi Sad Station Subgrade Works**
Performance location:	Novi Sad

Value of works without VAT (USD):	**800.230,92**	**USD**
VAT (0%):	**0,00**	**USD**
Value of works with VAT (USD):	**800.230,92**	**USD**

Note:
- The actual value of the works will be calculated on the basis of the quantities derived from the certified sheets of the construction book
- Advance payment 20%
- Payment 30 days from the date of issuance of the bill
- For positions PROCUREMENT AND PLACING OF GEOTEXTILE and PROCUREMENT AND PLACING OF GEOGRID the material is not included
- Deadline for execution: 17.01.2022

CHINA CIVIL ENGINEERING CONSTRUCTION CORPORATION BALKAN Ogranak BEOGRAD

agree with the offer

KARIN KOMERC MD M.P. VETERNIK NOVI SAD

Nebojša Stupar

(authorized signature)

No.	Description of works	Unit of measure	Quantity	Unit price (USD)	Total price (USD)	Remark
	SURVEY AND ESTIMATE OF WORKS **Title of works: Novi Sad Station Subgrade Works** **No: 01/210037209** **Date: 25.12.2021**					
2/2.01.01	**CLEARING OF SITE** The item includes clearing of ground, cutting and removing shrubs, branches and overgrowth, haulage to 2 km distance, fully as specified in the technical conditions and design documentation. Measurement and payment per m2 of cleared area.	m2	1039,00	2,07	2.146,99	
2/2.02.04	**BULK EXCAVATION** The item includes bulk excavation in earth category III, loading, haulage up to 5 km distant site, unloading and levelling there. This means excavation of existing track bed (embankment) according to cross sections. Quantity according to recording sheet. Measurement and payment per m3 of excavated earth.	m3	9542,00	8,86	84.588,46	
2/2.02.07	**PROCUREMENT AND STOCKPILING INCOHERENT MATERIAL FOR CONSTRUCTION OF RAILWAY EMBANKMENT.** The item includes procurement of sandy gravel and levelling of unloaded material in stockpile area into designed figures, or as requested by the Supervising Engineer, as well as all other actions to ensure stability and blending in the environment. Quantity as shown in the recording sheet. Measurement and payment per m^3 of material.	m3	3417,00	19,00	64.923,00	
2/2.02.11	**MECHANIZED TAMPING OF FOUNDATION SOIL** The item includes mechanized tamping of foundation soil as specified in the relevant regulations, technical conditions and instructed by the Supervising Engineer, to required compaction value and modulus of deformability on layer top of. Quantity as shown in the recording sheet. Measurement and payment per m^2 of compacted foundation soil.	m2	11902,00	5,11	60.870,87	
2/2.02.12	**EMBANKMENT FILL** The item includes building embankment in layers 30 -50 cm thick, spreading, compacting, wetting or drying, whatever applicable, rough and fine levelling in strict accordance with the technical conditions. Quantity as shown in the recording sheet. Measurement and payment per m^3 materials placed in embankment.	m3	3417,00	15,00	51.262,05	
2/2.02.13-1	**PROCUREMENT AND PLACING OF GEOTEXTILE** The item includes procurement and placing of geotextile (roll 4m wide) fully in accordance with the design and technical conditions. Measurement and payment per m2 of placed geotextile.	m2	11902,00	1,20	14.282,40	The material is not included
2/2.02.13-2	**PROCUREMENT AND PLACING OF GEOGRID** The item includes procurement and placing of geogrid (roll 4m wide) fully in accordance with the design and technical conditions. Measurement and payment per m2 of placed geogrid.	m2	11902,00	2,70	32.097,64	
2/2.02.16	**CONSTRUCTION OF EMBANKMENT SOIL IMPROVEMENT LAYER – SOIL REPLACEMENT** The item includes supply, transport by trucks from the place of unloading to the concerned section, with transport distance of up to 5km, dumping and placement of embankment soil improvement layer – soil replacement, 50cm thick, having appropriate grain size distribution and compaction, fully in accordance with the Technical Specifications, applicable regulations and the Supervising Engineer's instructions. Quantity as per the bill of quantities. Measurement and payment shall be done per m3 of placed layer.	m3	1295,00	16,50	21.367,50	
2/2.02.17	**SUBGRADE** The item includes levelling and rolling subgrade to designed levels and cross falls for efficient dewatering according to the relevant regulations and technical conditions governing quality control of top earth layers. Quantity as shown in the recording sheet. Measurement and payment per m2 of levelled and rolled subgrade.	m2	11902,00	5,11	60.870,87	
2/2.02.19	**TRANSITION LAYER** The item includes supply, transport by trucks from the place of unloading to the concerned section, with transport distance of up to 5km, dumping and placement of transition layer, 40cm thick, having appropriate grain size distribution and compaction, fully in accordance with the Technical Specifications, applicable regulations and the Supervising Engineer's instructions. Quantity as shown in recording sheet. Measurement and payment per m3 of placed transition layer.	m3	5180,40	35,00	181.314,00	
2/2.02.21	**PROTECTIVE CAPPING LAYER** The item includes supply, transport by trucks from the place of unloading to the concerned section, with transport distance of up to 5km, dumping and placement of protective capping layer, 30cm thick, having appropriate grain size distribution and compaction, fully in accordance with the Technical Specifications, applicable regulations and the Supervising Engineer's instructions. Quantity as shown in recording sheet. Measurement and payment per m3 of protective capping layer.	m3	4271,66	47,73	203.902,73	
02.05	Manufacturing of cement stabilization in front of and behind the subway in three layers. Thickness of each layer is 40cm with compacting up to Me=40MPa. The price includes the following: bringing of the material, spreading in 40cm thick payers and compacting, control of density.	m3	200,00	46,20	9.240,00	
	The item includes supply and crashed stone installation 0-63 mm, 20cm thick	m3	280,00	47,73	13.364,40	
				Novi Sad Station Subgrade Works - Total (USD):	**800.230,92**	

Value of works without VAT (USD): **800.230,92**

VAT (0%):

Value of works with VAT(USD): **800.230,92**

Karin komerc MD